

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

RD Instruments

California Manufacturing Technology Consulting

RD Instruments Increases Competitiveness in the Global Marketplace

Client Profile:

RD Instruments is a privately owned precision instrumentation manufacturer located in San Diego, California. Since its founding in 1982, RDI has been an industry leader in the design, manufacture, supply, and support of state-of-the-art acoustic Doppler instrumentation. Fran Rowe and Kent Deines formed the company as a result of their development of the industry's first Acoustic Doppler Current Sonar Profiler. RDI has domestic and international customers that are in both the commercial and defense related industries, including the U.S Navy Naval Surface Warfare Center and The Royal Netherlands Institute for Sea Research. RDI employs 172 people and generates approximately \$26 million in annual sales.

Situation:

Because of market growth, intense competitiveness, and product diversification, RDI had seen significant growth. RDI wanted to continue that growth and more specifically, RDI wanted to increase sales and competitiveness both domestically and internationally. One issue RDI began to face was that current and future customers were beginning to require ISO 9001:2000 certification. In order to meet these requirements, RDI needed to upgrade their management control systems, while maintaining high customer satisfaction for existing customers. The company's management wanted to formalize its policies and procedures, as well as implement uniformity and consistency throughout the entire company. RDI needed to plan for the increased production demand of new customers gained because of ISO certification. They also recognized that process improvement opportunities that resulted from the certification needed to be shared with the entire organization and a follow-up program needed to be implemented to secure permanent gains in performance. RDI turned to California Manufacturing Technology Consulting (CMTC), a NIST MEP network affiliate, to provide expertise in facilitating the redesign of the quality management system.

Solution:

CMTC's team of 3 consultants and RDI's management team worked to identify and implement all of the necessary system changes, including the development of a project plan, implementation of ISO 9001 Overview Training, development of a quality manual, and the development of detailed procedures. The newly developed project plan led to procedures that successfully unified all of the key business activities of the organization, including sales and marketing, customer service, and manufacturing and accounting. In addition, existing policies and procedures were reorganized to better address the needs of the company as it continues to grow. A cross-section of employees were trained to monitor the continuing performance of the new management system. Implementing this training allowed for a structured and systematic process for eliciting feedback on best practices and opportunities for improvement within the organization. Implementing this training also allowed for sharing those improvements throughout the organization.

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Results:

- * Successful system upgrade.
- * Achieved ISO 9001:2000 certification.
- * Improved quality of product.
- * Reduced warranty repair and cost of returns by \$600 million.
- * Increased sales by 65 percent expected by year-end.
- * Increased workforce by 20 percent.
- * Created 34 new jobs.
- * Achieved a more competitive and profitable position.
- * Awarded two new government contracts.

Testimonial:

"With the help of CMTC we will increase sales by 65 percent and increase our competitiveness in the global marketplace."

Javier Costas, Quality Manager